

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0589-01
Bill No.: HB 79
Subject: Business and Commerce
Type: Original
Date: December 28, 2012

Bill Summary: This proposal establishes the Missouri International Business Advertising Fund.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
MISSOURI INTERNATIONAL BUSINESS ADVERTISING FUND	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of Administration - Budget and Planning** assume no impact to their agency or to General or Total State Revenue.

Officials at the **Department of Economic Development (DED)** assume section 620.1916 creates the "Missouri International Business Advertising Fund" which would be administered by DED. The fund would consist of appropriated funds, gifts, contributions, grants or bequests and be used solely for the purpose of attracting international businesses to Missouri. Since an appropriation amount is unknown, DED is unable to determine the exact fiscal impact of the proposal. DED assumes the administration of the fund would not result in the need for additional FTE; however, if the DED determines that additional FTE are needed, the FTE would be requested through the normal budget process.

Officials at the **Office of State Treasurer** assume there is no fiscal impact from this proposal.

Oversight assumes this proposal creates a new state fund for the purpose of advertising for businesses to locate to Missouri. Oversight assumes the fund will use all the funding its receives to advertise according to the provisions of this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
MISSOURI INTERNATIONAL BUSINESS ADVERTISING FUND			
<u>Transfer In-</u> appropriated funds, gifts, grants	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Cost-</u> advertising the benefits of location to Missouri	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>
ESTIMATED NET EFFECT ON MISSOURI INTERNATIONAL BUSINESS ADVERTISING FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal creates the Missouri International Business Advertising Fund consisting of appropriated moneys, contributions, grants, and bequests to be used solely to attract international businesses to Missouri. The fund must be used exclusively for advertising the benefits of relocating an international business to Missouri and may be used to advertise in international business magazines or social media sites or any search engine that receives international traffic.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration
Budget and Planning
Department of Economic Development
Office of State Treasurer



Ross Strope
Acting Director
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